

STATE OF MONTANA RISK MANAGEMENT & TORT DEFENSE DIVISION Cost of Risk Benchmarks				
LINE OF INSURANCE	FISCAL YEAR			
PROPERTY				
+				
	FY94	FY96	FY97	FY99
Property Premium	\$640,162.00	\$824,395.00	\$872,472.00	\$951,012.00
Boiler Premium	\$11,053.00	Included Above	Included Above	Included Above
Fine Arts Premium	\$41,181.00	Included Above	Included Above	Included Above
Total Property Premium	\$692,396.00	\$824,395.00	\$872,472.00	\$951,012.00
Retained Property Losses	\$286,362.00	\$167,285.00	\$275,620.00	\$531,899.00
Total Property Risk Financing Costs	\$978,758.00	\$991,680.00	\$1,148,092.00	\$1,482,911.00
Montana Risk Financing Costs as a % of Total Cost of Risk	5.758%	6.048%	7.278%	10.840%
National Risk Financing Costs as a % of Total Cost of Risk - Government	15.400%	5.760%	6.400%	16.000%
Montana Risk Financing Costs as a % of Budget	0.026%	0.027%	0.038%	0.046%
National Risk Financing Costs as a % of Budget - Government	0.117%	0.084%	0.110%	0.067%
LIABILITY				
+				
Liability Risk Financing Costs	\$3,599,972.00	\$4,612,070.00	\$4,590,961.00	\$5,132,077.00
Montana Risk Financing Costs as a % of Total Cost of Risk	21.179%	28.126%	29.105%	37.517%
National Risk Financing Costs as a % of Total Cost of Risk - Government	34.100%	36.350%	24.500%	32.000%
Montana Risk Financing Costs as a % of Budget	0.094%	0.123%	0.153%	0.158%
National Risk Financing Costs as a % of Budget - Government	0.303%	0.387%	0.360%	0.138%
WORKERS' COMPENSATION				
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Workers' Compensation Premium	\$11,880,094.00	\$10,148,502.00	\$9,411,968.00	\$6,344,490.00
Montana Risk Financing Costs as a % of Total Cost of Risk	69.890%	61.889%	59.668%	46.380%
National Risk Financing Costs as a % of Total Cost of Risk - Government	44.700%	54.500%	62.700%	45.000%
Montana Risk Financing Costs as a % of Budget	0.310%	0.271%	0.314%	0.195%
National Risk Financing Costs as a % of Budget - Government	0.452%	0.546%	0.622%	0.152%
ADMINISTRATIVE				
+				
Operations	\$509,408.00	\$575,674.00	\$550,515.00	\$662,234.00
Montana Operational Costs as a % of Total Cost of Risk	2.997%	3.511%	3.490%	4.841%
National Operational Costs as a % of Total Cost of Risk - Government	4.600%	2.800%	4.400%	3.000%
Montana Operational Costs as a % of Budget	0.013%	0.015%	0.018%	0.020%
National Operational Costs as a % of Budget - Government	0.141%	0.118%	0.134%	0.024%
OUTSIDE SERVICES				
=				
Actuarial	\$10,000.00	\$12,961.00	\$7,500.00	\$2,338.00
Appraisal	\$10,000.00	\$10,719.39	\$5,440.75	\$16,712.00
Adjusters	\$10,000.00	\$46,290.46	\$59,345.25	\$38,620.00
Total Outside Services	\$30,000.00	\$69,970.85	\$72,286.00	\$57,670.00
Montana Outside Services as a % of Total Cost of Risk	0.176%	0.427%	0.458%	0.422%
National Outside Services as a % of Total Cost of Risk - Government	1.200%	0.600%	2.000%	5.000%
Montana Outside Services as a % of Budget	0.001%	0.002%	0.002%	0.002%
National Outside Services as a % of Budget - Government	0.028%	0.019%	0.045%	0.045%
TOTAL COST OF RISK- MONTANA	\$16,998,232.00	\$16,397,896.85	\$15,773,822.00	\$13,679,382.00
Montana Total Cost of Risk as a % of Budget	0.443%	0.438%	0.526%	0.420%
National Total Cost of Risk as a % of Budget - Government	1.160%	1.562%	1.572%	0.564%

STATE OF MONTANA RISK MANAGEMENT & TORT DEFENSE DIVISION Cost of Risk Survey - Other Benchmarks			
Respondent profiles			
	First Quartile	Median	Third Quartile
Operating Budget-Government (\$ in Millions)	\$181	\$465	\$1,046
1998 Asset Size-Government (\$ in Millions)	\$158	\$359	\$1,368
1998 # of Employees-Government (U.S. Respondents)	1,248	3,229	7,337
1998 # of Risk Mgmt Dept. Employees by Industry - Government	3.00	5.00	14.50
Demographics of Respondents - Government			
Budget Size (\$ in Millions)	1,259	1,739	3,601
Payroll Size (\$ in Millions)	254	449	1,508
Insured Property Values (\$ in Millions)	1,505	2,001	6,105
Number of Employees (FTEs)	7,284	15,204	41,551

Number of Vehicles

1,637

4,040

7,800

